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*Counsel for Lead Plaintiff SEB Investment Management AB
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**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

SEB INVESTMENT MANAGEMENT AB,
Individually and on Behalf of All Others Similarly
Situating,

Plaintiff,

v.

ALIGN TECHNOLOGY, INC., JOSEPH M.
HOGAN, and JOHN F. MORICI,

Defendants.

Case No. 3:18-cv-06720-VC

CLASS ACTION

**NOTICE OF LEAD PLAINTIFF'S POST-
DISTRIBUTION ACCOUNTING**

Lead Plaintiff SEB Investment Management AB, by and through its counsel, respectfully submits the below Post-Distribution Accounting pursuant to the Court’s Order Approving Distribution Plan (ECF No. 224, the “Distribution Order”) and in accordance with the Northern District of California’s Procedural Guidance for Class Action Settlements and this Court’s Standing Order for Civil Cases Before Judge Vince Chhabria.¹

The Post-Distribution Accounting set forth below follows the initial distribution of the Net Settlement Fund on March 31, 2023 (“Initial Distribution”), by the Claims Administrator for the Settlement, JND Legal Administration (“JND”), as further detailed in the accompanying Declaration of Luiggy Segura.

<i>SEB Investment Management AB, et al. v. Align Technology, Inc., et al.</i> Case No. 3:18-cv-06720-VC (N.D. Cal.) <i>Figures are current as of July 19, 2023</i>	
	% Total Settlement
Settlement Fund Value¹ \$16,146,206.15	100%
Method of Notice: By direct first-class mail based on addresses provided by counsel for Align Technology, Inc., brokers and nominees, and publication in <i>The Wall Street Journal</i> and over <i>PR Newswire</i> and on the case website.	
Notices ² mailed: 149,165	
Notices undeliverable: 1,728 (1.2%)	
Claim Forms received: 72,397 (48.5% of Notices mailed)	
Damaged shares: 11,511,245.84	
Number of Opt-Outs: 2 (0.0013% of Notices mailed)	
Number of Objections: 0 (0% of Notices mailed)	
Payments to Settlement Class Members³ \$12,089,384.08	74.87%
Date Initial Distribution Commenced: March 31, 2023	
Quantity of Payments Sent to Authorized Claimants: 13,764 ⁴	
Method of Payment: check by first-class mail / wire transfer	
Average payment per Authorized Claimant: \$878.33	
Median payment per Authorized Claimant: \$30.61	
Largest payment: \$563,773.76	
Smallest payment: \$10.10	
Cashed checks: Number (13,113) / Value (\$11,842,324.86)	

¹ All terms with initial capitalization not otherwise defined herein shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement dated June 30, 2021 (ECF No. 189-2).

Uncashed checks: ⁵ Number (651) / Value (\$189,509.33)	
Quantity of uncashed checks where claimant could not be contacted: 1	
Attorneys' Fees Awarded⁶ \$3,200,392.57 (includes interest)	19.82%
Lodestar: \$2,766,489.50	
Lodestar Multiplier: 1.16	
Attorneys' Litigation Expenses \$190,419.50	1.18%
Notice and Administrative Costs \$650,000.00	4.03%
Tax Reserve/Holdback \$16,010.00	0.10%
Cy Pres⁷ \$0	0%

The following are explanatory notes to the Post-Distribution Accounting, as indicated by the superscript numbers in the above chart:

1. The Settlement Fund earned \$146,206.15 in interest from inception through the finalization of the calculations used for the Initial Distribution. This increased the value of the Settlement Fund from the Settlement Amount of \$16,000,000 to \$16,146,206.15. Since the finalization of the calculations used for the Initial Distribution, an additional \$10,286.91 in interest has been earned and this amount will be included in a re-distribution to Authorized Claimants if a re-distribution is determined to be cost effective.
2. In a securities class action such as this one, the total number of Settlement Class Members is not precisely known because the securities are widely traded and there is no definitive list of Settlement Class Members available to the Parties. Accordingly, notices are mailed to all potential Settlement Class Members who can be identified through reasonable efforts, including through requests to brokers, banks, and other nominees to identify potential Settlement Class Members. Because the process for disseminating notice by mail is designed to reach the maximum number of potential Settlement Class Members, it typically results in the mailing of notices to a substantial number of persons and entities who are not Settlement Class Members, such as nominees who are not beneficial owners or persons/entities who only held, but did not purchase, the security during the Class Period.
3. This is the amount that was available for distribution to Authorized Claimants in the Initial Distribution on March 31, 2023. All but \$23,618.01 of this amount was distributed to Authorized Claimants in the Initial Distribution. As explained in Note #4 below, \$23,618.01 was held back from the Initial Distribution due to the payees being potential hits on the Office of Foreign Assets Control ("OFAC") list maintained by the U.S. Department of the Treasury.
4. Prior to the Initial Distribution, the Escrow Agent identified forty-three (43) payments totaling \$23,618.01 as potential hits on the OFAC list. These payments were held back from the Initial Distribution pending the receipt of additional information from the payees. JND has received the necessary information to clear six (6) of these payments (totaling \$290.75). As of July 19, 2023, JND has not received the necessary information to clear the remaining thirty-seven (37) payments (totaling \$23,327.26) and these payments have not been distributed.

5. JND continues to follow up with Authorized Claimants whose checks remain uncashed. Based on the funds remaining in the Net Settlement Fund, JND anticipates that it will likely be cost-effective to conduct a re-distribution of the amount remaining in the Net Settlement Fund as provided for in the Court's Distribution Order. ECF No. 224.
6. The Court awarded attorneys' fees in the amount of 20% of the Settlement Fund (which includes interest) and \$190,419.50 in Litigation Expenses. ECF No. 217, ¶ 4. Per the Court's Order, 10% of the fee award (or \$320,039.26 (including interest)) was held back pending the filing of the Post-Distribution Accounting and further Court order. *Id.*
7. As set forth in the Distribution Order, when it is determined that a further re-distribution of the funds remaining in the Net Settlement Fund is not cost-effective, these funds will be used to pay any otherwise valid Claims received after January 17, 2023, or any earlier received Claims for which an adjustment was received after January 17, 2023. ECF No. 224, at 4. Thereafter, any funds remaining in the Net Settlement Fund will be contributed to the Court-approved *cy pres* recipient, Charitable Smiles. *Id.* JND expects that if there is a contribution to Charitable Smiles, it will be minimal.

Lead Counsel will post this Post-Distribution Accounting to the website for the Settlement, www.AlignSecuritiesSettlement.com, immediately following its filing with the Court.

In addition, pursuant to the Distribution Order and this Court's Standing Order, a proposed order requesting the release of the remainder of the fees awarded to Lead Counsel pursuant to the Court's Order Awarding Attorneys' Fees and Litigation Expenses dated April 28, 2022 (ECF No. 217) is being submitted herewith.

Respectfully submitted,

Dated: July 20, 2023

**KESSLER TOPAZ
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/s/ Stacey M. Kaplan

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